

Bobrick Washroom Equipment Limited

Financial statements

For the year ended 31 October 2005

Grant Thornton 



Company No. 2848421

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 October 2005.

Principal activities

The principal activity of the company during the year was the distribution of washroom products supplied by Bobrick Washroom Equipment Inc., a company incorporated in the United States of America.

Directors

The directors who served the company during the year were as follows:

M S Louchheim
W S Louchheim Jr.

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company, Bobrick Washroom Equipment Inc.

Following the year end A I Sweibel was appointed as a director on 17 July 2006.

Directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Grant Thornton UK LLP were appointed auditors to fill a casual vacancy in accordance with section 388(1) of the Companies Act 1985.

An elective resolution to dispense with the obligation to appoint auditors annually has been passed by the company in general meeting and therefore the registered auditors, Grant Thornton UK LLP, will continue in office.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD

A I Sweibel
Secretary

Date: 28-10-06

Report of the independent auditors to the members of Bobrick Washroom Equipment Limited

We have audited the financial statements of Bobrick Washroom Equipment Limited for the year ended 31 October 2005 on pages 8 to 11. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and the information given in the Report of the Directors is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the report of the directors and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

Report of the independent auditors to the members of Bobrick Washroom Equipment Limited (continued)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 October 2005 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
London

Date: *20 October 2006*

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and Value Added Tax. A sale is recognised as income at the point of despatch. Turnover arises wholly in the United Kingdom.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Deferred tax arises from timing differences between the recognised gains and losses in the financial statements and their recognition in tax computations. Deferred tax is provided in full at the rate expected to apply when the timing differences reverse. Deferred tax assets are recognised only to the extent that they are considered recoverable in future. Deferred tax balances are not discounted.

Foreign currencies

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Assets and liabilities are translated into sterling at rates of exchange ruling at the balance sheet date. All currency profits and losses are dealt with in the profit and loss account.

Profit and loss account

	Note	2005 £	2004 £
Turnover		552,458	638,335
Cost of sales		456,276	515,575
Gross profit		96,182	122,760
Other operating charges	1	277,777	194,503
Operating loss	2	(181,595)	(71,743)
Interest receivable		4,395	10,595
Loss on ordinary activities before taxation		(177,200)	(61,148)
Tax on loss on ordinary activities		—	(2,111)
Loss for the financial year		(177,200)	(59,037)
Balance brought forward		(429,622)	(370,585)
Balance carried forward		<u>(606,822)</u>	<u>(429,622)</u>

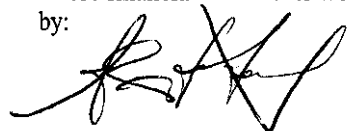
The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2005 £	2004 £
Current assets			
Stocks		222,438	223,790
Debtors	3	174,429	191,823
Cash at bank		7,102	274,651
		<u>403,969</u>	<u>690,264</u>
Creditors: amounts falling due within one year	4	1,010,691	1,119,786
Net current liabilities		<u>(606,722)</u>	<u>(429,522)</u>
Total assets less current liabilities		<u>(606,722)</u>	<u>(429,522)</u>
Capital and reserves			
Called-up equity share capital	6	100	100
Profit and loss account		(606,822)	(429,622)
Deficit		<u>(606,722)</u>	<u>(429,522)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on 20.10.06 and are signed on their behalf by:



A I Sweibel
Director

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Other operating charges

	2005 £	2004 £
Administrative expenses	<u>277,777</u>	<u>194,503</u>

2 Operating loss

Operating loss is stated after charging/(crediting):

	2005 £	2004 £
Auditors' fees	6,750	13,880
Net loss/(profit) on foreign currency translation	<u>10,737</u>	<u>(35,679)</u>

All directors are paid by the parent company. The directors received no remuneration for their services as directors of the company during the year (2004: £nil).

No corporation tax charge is expected to arise on the loss for the year (2004: £2,111 credit).

3 Debtors

	2005 £	2004 £
Trade debtors	173,228	174,112
Other debtors	<u>1,201</u>	<u>17,711</u>
	<u>174,429</u>	<u>191,823</u>

4 Creditors: amounts falling due within one year

	2005 £	2004 £
Amounts owed to group undertakings	1,003,289	1,115,786
Other creditors	<u>7,402</u>	<u>4,000</u>
	<u>1,010,691</u>	<u>1,119,786</u>

5 Related party transactions

The company has taken advantage of the exemption offered by FRS 8 not to disclose related party transactions with other group companies.

6 Share capital

Authorised share capital:

	2005 £	2004 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

7 Profit and loss account

	2005 £	2004 £
Balance brought forward	(429,622)	(370,585)
Accumulated loss for the financial year	(177,200)	(59,037)
Balance carried forward	<u>(606,822)</u>	<u>(429,622)</u>

8 Financial support

The immediate parent company, Bobrick Washroom Equipment Inc has confirmed that it will meet the liabilities of Bobrick Washroom Equipment Limited as they fall due for a period of at least 12 months from the date of approval of these financial statements.

9 Ultimate parent company

The immediate parent undertaking is Bobrick Washroom Equipment, Inc and the ultimate parent company is The Bobrick Corporation, a company registered in the United States of America. Copies of The Bobrick Corporation's financial statements can be obtained from 11611, Hart Street, North Hollywood, CA 91605 5852, United States of America.